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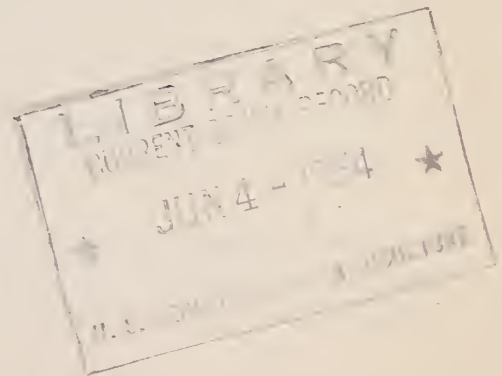
## COTTON MARKETING QUOTAS FOR 1954

### QUESTIONS AND ANSWERS ON EXTRA LONG STAPLE COTTON

Cotton marketing quotas and acreage allotments are provided by farm program legislation as a means of adjusting the quantity of cotton available for marketing to the prospective demand, and of dividing the available market so that each cotton grower may receive his fair share.

Under the Agricultural Adjustment Act of 1938, as amended, the Secretary of Agriculture is directed to proclaim a national marketing quota for extra long staple cotton whenever the total supply exceeds the normal supply by more than 8 percent. Such a proclamation for the 1954 crop of extra long staple cotton was published in the Federal Register on October 15, 1953.

This is the first time that marketing quotas have been proclaimed for extra long staple cotton. The quotas and allotments will apply principally to American Egyptian, Sea Island (in continental United States and Puerto Rico), and Sealand Cotton.



UNITED STATES DEPARTMENT OF AGRICULTURE

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1. Why have marketing quotas and acreage allotments been proclaimed for the 1954 crop of extra long staple cotton?

The law requires the Secretary of Agriculture to proclaim quotas when the "total supply" (carryover plus current crop plus imports) exceeds the "normal supply" (expected domestic consumption and exports plus a 30-percent reserve) by more than 8 percent. Supplies for the 1953-54 marketing year are expected to total 258,000 bales, almost twice as large as the normal supply of 130,000 bales.

2. What are the amounts of the national marketing quota and acreage allotment for the 1954 crop of extra long staple cotton?

The quota is 30,000 bales (standard bales of 500 pounds gross weight). When converted to acreage, based on the national average yield per planted acre for the 5 years 1948-52, inclusive, the quota provides a national acreage allotment of 41,261 acres.

3. Does the Secretary's marketing quota proclamation automatically make quotas effective on the 1954 crop of extra long staple cotton?

No. Farmers who grow extra long staple cotton will vote in a referendum on the question on December 15, 1953. At least two-thirds of the farmers voting must approve the quotas before they may continue in effect.

4. Can marketing quotas be suspended or increased after they are approved by farmers?

Yes, the Secretary may increase or suspend cotton marketing quotas in the event of a national emergency or a material increase in export demand or in order to make a normal supply of cotton available.

5. How will the referendum on marketing quotas for extra long staple cotton be held?

The referendum will be held by secret ballot in each designated extra long staple cotton-growing county in the Nation. It will be conducted by community referendum committees of farmers appointed by County Committees.

6. Who can vote in the referendum on extra long staple cotton?

All farmers who produced extra long staple cotton which was planted in 1953 will be eligible to vote in the referendum on December 15, 1953. Any farmer who is in doubt as to his eligibility to vote should check with his County Committee.

7. Are any farms exempted from marketing quotas for extra long staple cotton?

No. Any farmer who in 1954 grows extra long staple cotton will be subject to quotas if they are approved by farmers in the referendum.



8. What is the farm marketing quota for 1954 extra long staple cotton?

If the acreage of extra long staple cotton on the farm does not exceed the farm acreage allotment, the farm marketing quota is the entire production of such cotton on the farm. If the acreage of extra long staple cotton on the farm is in excess of the farm acreage allotment, the farm marketing quota will be the total production of such cotton on the farm less the "farm marketing excess."

9. What is the "farm marketing excess"?

The farm marketing excess is the excess production of extra long staple cotton which is subject to penalty.

10. How is the farm marketing excess determined?

The farm marketing excess will be the normal yield per acre established for the farm multiplied by the acreage of extra long staple cotton on the farm in excess of the allotment. If the actual yield per acre is less than the farm's normal yield and the producer establishes this fact, the farm marketing excess will be reduced to the amount by which the total production of extra long staple cotton on the farm exceeds the normal yield per acre multiplied by the acreage allotment.

11. Can carryover cotton from previous crops of extra long staple be marketed without penalty?

Yes.

12. Will the farmer who has overplanted be permitted to adjust the acreage planted to cotton to the farm acreage allotment?

Yes, the Secretary will issue regulations under which such adjustment can be made.

13. What is the amount of the penalty on the farm marketing excess?

The penalty per pound will be the higher of (a) 50 percent of the parity price or (b) 50 percent of the support price for extra long staple cotton.

14. How will the penalty be collected?

The producer may pay the penalty to the County Committee and get a marketing card. If he does not do this, the person who buys the cotton from the producer must collect the penalty and pay it to the County Committee for transfer to the U. S. Treasurer.

15. After the penalty has been paid on the farm marketing excess, is the producer liable for further penalty?

No. After the penalty is paid to the County Committee, the producer will receive a marketing card, which entitles him to market all his crop without paying further penalty. Until the penalty is paid, a lien on the entire crop of extra long staple cotton produced on the farm shall be in effect in favor of the United States.

16. When does the penalty become due?

(a) When cotton is marketed from a farm for which the penalty on the farm marketing excess has not been paid; or (b) on a date established by the Secretary.

17. What happens if the penalty is not paid when due?

(a) No marketing card will be issued for the farm until the penalty on the farm marketing excess is paid.

(b) Court action may be taken against the producer or person liable for the payment of the penalty to enforce collection.

(c) The producer will be liable also for interest on the penalty at the rate of 6 percent per annum from the date the penalty becomes due until it is paid. If cotton is marketed without being properly identified by a marketing card and the penalty is not remitted by the buyer, the buyer will be liable for the penalty and for interest thereon from the date of his purchase of the cotton.

18. If a farmer is dissatisfied with his farm marketing quota, may he appeal?

Yes. Within 15 days after the mailing of his quota notice by the County Committee, any farmer may ask for a review of his case. A review committee of three farmers, appointed by the Secretary of Agriculture, will receive the evidence and decide whether the quota was established in accordance with the regulations. If the farmer is not satisfied with the review committee's decision, he may, within 15 days, institute proceedings for a review of the case by a court.

19. What will be the level of price support on the 1954 crop of extra long staple cotton?

(a) If quotas are approved by farmers, the level of price support will be not less than 90 percent of parity.

(b) If quotas are disapproved by farmers, the level of price support will be 50 percent of parity.

Price support will be available to any cooperator on the extra long staple cotton produced on his farm and ginned on a roller-type gin. No price support will be available to noncooperators.

20. Who is a "cooperator"?

A cooperator is a producer in a designated county on whose farm the 1954 acreage of specified varieties of extra long staple cotton does not exceed the farm acreage allotment.